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09/475,630	12/30/1999	Randall Joseph Sandell	9D-EC-19310	6597

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EXAMINER
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WOO, RICHARD SUKYOON

ART UNIT	PAPER NUMBER
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3629

DATE MAILED: 03/05/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/475,630

Applicant(s)

SANDELL

Examiner

Richard Woo

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-46 and 48-53 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-46, 48-53 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.  
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_.
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) \_\_\_\_ 6) ☐ Other: \_\_\_\_

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 101***

1) Claims 50-53 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention

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incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, the method claim 50 is not within the technological arts – i.e., no computer implementation or any other technology employed although the claim body merely cites “electronically communicating”. The claimed method steps may be carried out by a simple human intervention.

### ***Claim Rejections - 35 USC § 112***

- 2) The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

- 3) Claims 1- 27 and 50-53 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In Claim 1, Applicant fails to distinctly claim the subject matter because it is not clear whether Claim 1 is directed to the method claim including the steps or the apparatus claim. Apparently, there is no method step of delivering goods from a supplier to a buyer.

Claim 50 suffers the identical indefiniteness as cited above.

### ***Claim Objections***

- 4) Claims 28-46 and 48-49 are objected to because of the following informalities:

In Claim 28, line 9, “delivery” (second occurrence) should be changed to -- deliver--.

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In Claim 42, line 11, "delivery" should be changed to --deliver--.

In Claim 42, line 12, "and" should be deleted.

Appropriate correction is required.

***Claim Rejections - 35 USC § 102***

5) The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

6) Claims 28-35, 38-41 and 50 are rejected under 35 U.S.C. 102(a) as being anticipated by Juedes et al. (WO 01/13261).

**W.R.T. Claim 28:**

Juedes et al. discloses a system comprising:

a communication network (see Figs.);

a logistics intermediary (112) having an electronic manifest, wherein the intermediary is adapted to adjust good deliveries based on an exception report;

at least one delivery agent (132-138) being adapted to deliver and install the goods based on information in the manifest; and

at least one store (106) being adapted to receive order information generated by the buyer and communicate the order information to the logistics intermediary.

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W.R.T. Claim 29: Juedes et al. further discloses the system, wherein the network is an Internet (see Figs.);

W.R.T. Claim 30: : Juedes et al. further discloses the system, wherein the network includes at least one computing unit (see Figs.);

W.R.T. Claim 31: : Juedes et al. further discloses the system, wherein the network further includes an additional computing unit;

W.R.T. Claim 32: : Juedes et al. further discloses the system, wherein the computing unit is adapted to house the electronic manifest and the delivery management system (see Figs.);

W.R.T. Claim 33: : Juedes et al. further discloses the system, wherein the computing unit includes a scanner that scans the labels to uplink and unload data to the intermediary (inherently, any shipping and logistics service system must utilize the barcodes or similar device to track and link the goods to the databases);

W.R.T. Claim 34: : Juedes et al. further discloses the system, wherein the scanner includes a scanner display and keyboard input (see Supra);

W.R.T. Claim 35: : Juedes et al. further discloses the system, wherein the intermediary is adapted to generate a master requisition label, associated manufacturer shipping labels, and an advanced shipping notice (see Tables);

W.R.T. Claim 38: Juedes et al. further discloses the system, wherein the supplier generates a purchase order for the store based on the order information generated by the buyer (see Tables and Figs.);



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W.R.T. Claim 39: Juedes et al. further discloses the system, wherein the scanner employs a computer program having the exception report and the disposition report;

W.R.T. Claim 40: Juedes et al. further discloses the system, wherein the scanner employs the computer program having an exception report having a overage menu, shortage, damaged, and a suspend menu (see Supra); and

W.R.T. Claim 41: Juedes et al. further discloses the system, wherein the scanner employs the computer program having a disposition report having a complete, damage, refusal and a cancel menu.

**W.R.T. Claim 50:**

Juedes et al. discloses a method comprising the steps of:

communicating order information to a logistics intermediary (112) by a store (106);

electronically communicating invoice information generated from the respective order information to a delivery agent (132-138) based on an electronic manifest; and

noting exceptions and electronically communicating the exceptions to the logistics intermediary.

***Claim Rejections - 35 USC § 103***

7) Claims 1-27, 36-37, 42-46, 48-49 and 51-53 are rejected under 35 U.S.C. 103(a) as being unpatentable over Juedes et al..

**W.R.T. Claim 1:**

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Juedes et al. discloses a method comprising the steps of:

a respective store (106) contemporaneously communicating respective order information to a logistics intermediary (112);

the logistics intermediary electronically communicating respective invoice information generated from the respective order information to a respective delivery agent (132-138) based on an electronic manifest;

the respective delivery agent noting exceptions and electronically communicating the exceptions to the logistics intermediary;

the respective delivery agent electronically communicating the disposition status of the respective shipped goods to the logistics intermediary; and

the logistics intermediary updating the electronic manifest (see Figs.).

However, Juedes et al. does not expressly disclose the method including: the logistics intermediary electronically communicating exceptions to the respective supplier and to the respective store from which goods were ordered.

Since Juedes et al. discloses the logistics intermediary that handles shipment of goods among customers and stores, and arranges for set up services when goods arrive at their destination, Juedes et al. can be further modified to provide the service between the store and its respective supplier to supply the ordered goods from the supplier to the store.

Accordingly, it would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the logistics intermediary of Juedes et al. such that the logistics intermediary communicates with the supplier to supply the goods order from the buyer to the respective store and to facilitate the shipment between the store and supplier, for the purpose of providing an efficient and automated shipping logistics system.

W.R.T. Claim 2: The modified Juedes et al. further discloses the method including the step of shipping the ordered goods to the respective buyer by the respective delivery agent (see Figs.);

W.R.T. Claim 3: The modified Juedes et al. further discloses the method, wherein the communication network is an Internet based system;

W.R.T. Claim 4: The modified Juedes et al. further discloses the method including the step of selecting at least one delivery date based on available delivery capacity for each respective delivery agent;

W.R.T. Claim 5: The modified Juedes et al. further discloses the method including the respective supplier adding delivery information to the electronic manifest, wherein the delivery information includes the quantity, type, and delivery date of respective goods to be delivered to the respective delivery agent (see tables, Figs. and the descriptions thereof);

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W.R.T. Claim 6: The modified Juedes et al. further discloses the method, wherein each respective buyer selects a delivery date for each good based on the available delivery schedule;

W.R.T. Claim 7: The modified Juedes et al. further discloses the method, wherein the order information communicated by the buyer includes the brand of good, type, model number of the good, the installation service, the address and the delivery date (see *Supra*);

W.R.T. Claim 8: The modified Juedes et al. further discloses the method including the step of generating a respective invoice and communicating the invoice to the store by the logistics intermediary (see Figs. 2-15);

W.R.T. Claim 9: The modified Juedes et al. further discloses the method including communicating the respective master requisition labels and an associated manufacturer shipping labels to the delivery agent by the logistics intermediary (see Tables for the well-known shipping system using barcodes to track the goods);

W.R.T. Claim 10: The modified Juedes et al. further discloses the method including communicating the respective master requisition number and an associated manufacturer shipping number to the store (see *Id.*);

W.R.T. Claim 11: The modified Juedes et al. further discloses the method including communicating the respective manufacturer shipping number and associated shipping address to the supplier by the store (it would have been obvious to provide the additional service between the supplier and store as taught by the reason as cited in Claim 1);

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W.R.T. Claim 12: The modified Juedes et al. further discloses the method including the step of generating a respective purchase order, advance shipping notice and order label by the supplier (see Supra and Tables & Figs.);

W.R.T. Claim 13: The modified Juedes et al. further discloses the method including the step of communicating the purchase order invoice to the store by the supplier (see Id.);

W.R.T. Claim 14: The modified Juedes et al. further discloses the method including the step of communicating the manufacturer shipping number and address to the store by the logistics intermediary (see Supra);

W.R.T. Claim 15: The modified Juedes et al. further discloses the method including the step of delivery the respective good to the delivery agent by the supplier;

W.R.T. Claim 16: The modified Juedes et al. further discloses the method including the step of noting exceptions by the delivery agent (see Tables and Figs.);

W.R.T. Claim 17: The modified Juedes et al. further discloses the method including the step of attaching the shipping label from the logistics intermediary to the good by the delivery agent (see Id.);

W.R.T. Claim 18: The modified Juedes et al. further discloses the method including the step of communicating the shipping status and exceptions to the logistics intermediary by the delivery agent (see Tables and Figs.);

W.R.T. Claim 19: The modified Juedes et al. further discloses the method including the step of communicating the shipping status and exceptions to the store by the logistics intermediary (see Id.);

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W.R.T. Claim 20: The modified Juedes et al. further discloses the method including the step of communicating the shipping status and exceptions to the supplier by the logistics intermediary (see Supra);

W.R.T. Claim 21: The modified Juedes et al. further discloses the method including the step of confirming the good delivery date and time of day with respective buyer by the delivery agent (see the entirety of the specs and Figs, tables);

W.R.T. Claim 22: The modified Juedes et al. further discloses the method including the step of delivering the good to the buyer;

W.R.T. Claim 23: The modified Juedes et al. further discloses the method including the step of communicating the shipping disposition to the intermediary by the delivery agent;

W.R.T. Claim 24: The modified Juedes et al. further discloses the method, wherein the delivery information includes the quantity of goods, type, and delivery date of goods (see Supra);

W.R.T. Claim 25: The modified Juedes et al. further discloses the method, wherein the service includes the type of installation of the good at the buyer address;

W.R.T. Claim 26: The modified Juedes et al. further discloses the method including the step of identifying overage, shortage, damage and suspend (see tables);

W.R.T. Claim 27: The modified Juedes et al. further discloses the method including the step of identifying complete, damage, refusal and cancel;

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W.R.T. Claim 36: : The modified Juedes et al. further discloses the system, wherein the intermediary is adapted to communicate with the store, delivery agent, and supplier (see the reason as recited in Claim1);

W.R.T. Claim 37: The modified Juedes et al. further discloses the system, wherein the intermediary communicates with the store, delivery agent, and supplier (via mail, courier, fax..);

**W.R.T. Claim 42:**

Juedes et al. discloses a system comprising:

means for utilizing a communication network to transfer order and shipping information between the delivery agent (132-138) and store (106);

means for utilizing a logistics intermediary (112) to the network, the intermediary being adapted to employ an electronic manifest;

means for providing order and shipping information to the at least one delivery agent, wherein the delivery agent is adapted to deliver and install the goods based on information in the electronic manifest;

means for scheduling the shipment of goods based on order and shipping information and an exception report (see Figs.); and

means for updating the e-manifest after the order has been executed.

However, Juedes et al. does not expressly discloses the system including:

means for utilizing a communication network to transfer order and shipping information between the supplier, delivery agent and store.

Since Juedes et al. discloses the logistics intermediary that handles shipment of goods among customers and stores, and arranges for set up services when goods arrive at their destination, Juedes et al. can be further modified to provide the service between the store and its respective supplier to supply the ordered goods from the supplier to the store.

Accordingly, it would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the logistics intermediary of Juedes et al. such that the logistics intermediary communicates with the supplier to supply the goods order from the buyer to the respective store and to facilitate the shipment between the store and supplier, for the purpose of providing an efficient and automated shipping logistics system.

W.R.T. Claim 43: The modified Juedes et al. further discloses the system including means for receiving the order information and communicating the order information to the intermediary by the store (see Figs.);

W.R.T. Claim 44: The modified Juedes et al. further discloses the system including means for communicating with the store, delivery agent and supplier by the intermediary;



W.R.T. Claim 45: The modified Juedes et al. further discloses the system including means for generating the exception report;

W.R.T. Claim 46: The modified Juedes et al. further discloses the system including a overage, shortage, damaged and suspend menu (see Tables and Figs.);

W.R.T. Claim 48: The modified Juedes et al. further discloses the system including means for generating a disposition report;

W.R.T. Claim 49: The modified Juedes et al. further discloses the system, wherein the intermediary is adapted to adjust good deliveries based on a disposition report;

W.R.T. Claim 51: The modified Juedes et al. further discloses the method including the step of communicating exceptions to the supplier (see the reasons as recited in Claim 1);

W.R.T. Claim 52: The modified Juedes et al. further discloses the method including the step of electronically communicating exceptions to the store; and

W.R.T. Claim 53: The modified Juedes et al. further discloses the method including the step of electronically communicating the disposition status of the respective shipped goods to the intermediary by the delivery agent and updating the e-manifest by the intermediary (see Tables and Figs.).

***Conclusion***

8) The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

JP 2001-297270 is cited to show a delivery schedule generating method to make the smooth delivery of article that the buyer bought by on-line shopping.

US 6,081,789 is cited to show a method for exchanging information between providers and users of products and services in which an information management system is established that is computer based and has information processing and storage capabilities.

"WISs at Federal Express" is cited to show a FedEx's "virtual order" that is a combined service that includes customer catalog display on the Internet, order acceptance and fulfillment, and shipment, all managed by FedEx).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Richard Woo whose telephone number is 703-308-7830. The examiner can normally be reached on Monday-Friday from 8:30 AM -5:00 PM.

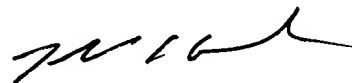
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on 703-308-2702. The fax phone numbers for the organization where this application or proceeding is assigned are 703-872-9306 for regular communications and for After Final communications.

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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-0861.



Richard Woo  
Patent Examiner  
GAU 3629  
February 6, 2004



JOHN G. WEISS  
SUPERVISORY PATENT EXAMINER  
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